

REVENUE SECRETARIAT.

Pass Book System.

READ

* Note accompanying the Muzrai Commissioner's letter No. C. 861 of 1923-24, dated the 14th July 1924, regarding the introduction of the Pass Book System in connection with each Muzrai Institution.

[*Printed as Annexure.]

ORDER NO. 972-3—MUZ. 1-24-5, DATED 7TH JANUARY 1925.

In accordance with orders contained in para 19 of Government Order No. 2892-901—M. F. 5-96, dated the 19th March 1904, the Comptroller to Government issued circular instructions (*vide* Muz. Cir. No. 2061 51 of 28th October—2nd November 1904) prescribing the registers and accounts to be maintained in each institution. Of these, the most important are Form No. 6, the Cash Book, and No. 7 Abstract of receipts and charges. In the Cash Book Form No. 6, the daily opening balance, receipts, payments and cash balance of each institution have to be recorded, and Form No. 7 is intended to show the transactions on account of each institution in a month as per Cash Book. Article 454 of the Mysore Account Code, Vol. I requires the Deputy Commissioners to arrange for correct accounts of Muzrai Institutions being maintained in the forms prescribed by the Comptroller in the circular instructions referred to above so as to admit of detailed audit. But the above instructions have never been carried out.

2. The necessity for correct maintenance of accounts was reiterated in Government Orders No. 2514-25—M. F. 371-13-2, dated the 2nd April 1917 and No. 3067-80—Muz. 421-17-9, dated the 3rd April 1919 and in furtherance of the instructions laid down therein, the Comptroller recommended so long ago as March 1919, the introduction of the Pass Book System for the better up-keep of Muzrai Accounts and their more effective audit. The Muzrai Commissioner has now submitted three statements showing the form of (1) the Pass Book to be maintained by Muzrai Officers, (2) the monthly abstract thereof, and (3) the Talukwar abstract, and has also suggested rules for the maintenance thereof.

3. Government are pleased to accord sanction to the introduction of the Pass Book System with effect from 1st July 1925 in the forms appended hereto (*vide* Appendices 1, 2 and 3). They are also pleased to approve of the rules for the maintenance of the Pass Book as appended to this order.

4. It should be clearly understood that the maintenance of the Pass Book is not in supersession of the registers already prescribed by the Comptroller, but is in addition thereto.

5. It will be the duty of the Inspecting Officers to examine the Pass Books during their inspections, and see that the entries therein are posted up-to-date.

K. V. ANANTARAMAN,
Secretary to Government, Rev. Dept.

RULES FOR THE MAINTENANCE OF PASS BOOKS IN RESPECT OF MUZRAI INSTITUTIONS.

- (i) The Pass Book will be in the appended Form (No. I).
- (ii) One Pass Book will be in use at a time in every Muzrai Office and it will be presented to the Treasury with every transaction of remittance into or drawal from the Treasury Branch of the Office. Corresponding entries will simultaneously be made in the books (Muzrai Fund Register) of the Treasury also.
- (iii) A few pages will be allotted for each institution and its name clearly entered on the top of the page.
- (iv) At the beginning of the book, there shall be written a list of all the institutions with the number of pages allotted for the record of their transactions. A separate book will be kept for abstracting the monthly transactions (Form II).

(v) All the columns except the last (Column 8) in the Pass Book (Form No. I) will be filled in by the Muzrai Officer and the Treasury Officer will attest the amounts credited or withdrawn in column 8.

(vi) The entries in the abstract will be made by the Muzrai Section of the Office and the monthly total of credits, debits and balance will be agreed with Treasury Books under the initials of the Treasury Officer at the end of each month.

(vii) A copy of the abstract as certified to by the Treasury Officer in accordance with the previous rule will be sent as an enclosure to the monthly return of accounts submitted by the Amildar to the Muzrai Commissioner and the Deputy Commissioner.

(viii) Pass Books to record transactions pertaining to the institutions under the direct charge of the Deputy Commissioner or Muzrai Commissioner e. g., Sri Sivaganga Matha, Tirupati Charities, Benares Chattram, etc., will be similarly maintained in their offices.

(ix) Payments or credits affecting any institution should appear in the accounts of the Treasury at which the institution account is opened.

(x) Receipts or expenditure on behalf of an institution in a different taluk or in the office of the Deputy Commissioner or Muzrai Commissioner, etc., should be forthwith intimated to the Treasury Officer of the taluk in which the Pass Book of the institution is maintained. The receipts will be advised and adjusted by means of Remittance Transfer Receipt in the Taluk Treasury Accounts concerned, and no payments should be made except at the particular taluk or on Remittance Transfer Receipts issued therefrom.

(xi) In regard to belated claims, the Comptroller to Government will authorise the Treasury concerned to make the payment.

(xii) A talukwar abstract (Form No. III) which will constitute the final basis for all sanctions and allotment of funds for repairs, etc., will be prepared in the Muzrai Commissioner's Office at the end of each month and sent to the Comptroller for verification and return for record in the former office.

(xiii) After such verification and return, extracts from the consolidated abstract will be sent to the Deputy Commissioners of Districts for note and information.

(xiv) The Pass Book will be in the personal custody of the Muzrai Officer in administrative charge of the institutions.

NOTE.

Subject.—Introduction of the Pass Book System in respect of the Muzrai Institutions in the State.

While ordering a reclassification of Muzrai Institutions and regulation of their management, control and supervision, Government in para 4 of their proceedings No. 2514-25—Muz. K. 371-13-2, dated the 2nd April 1917 directed among other matters that detailed instruction should be laid down for the maintenance and audit of accounts of all classes of institutions.

2. In furtherance of the above direction, the Comptroller to Government stated in his letter of the 5th March 1919 addressed to the late Muzrai Superintendent that in the case of major institutions the scales for establishment, Nityakatti and Hachukatti charges having been separately fixed by Government, the audit of expenditure would be conducted in accordance therewith as hitherto, and that as Deputy Commissioners were competent to sanction scales of expenditure and also appropriations from one head to another in the case of minor institutions, and audit with reference to each authorised sub-head was unnecessary and that the maintenance of one collective account for all minor institutions under the charge of the Deputy Commissioners and another for village institutions was sufficient. To ensure that the balance in the aggregate for each account was not overdrawn and to secure automatic agreement between the Treasury and Departmental figures, the Comptroller to Government suggested the immediate introduction of the Pass Book System. A procedure of this kind was thought all the more necessary as according to the schedule of powers defined in Government Order No. 1332-63—Muz. 63-22-9, dated 23—25th September 1922, the Deputy Commissioners were empowered to sanction items of expenditure from sources of revenue which were subject to great fluctuations due to seasonal conditions, yield, prices, etc., and as, without such a check, drawings might easily exceed balances and the over-draft would not be discovered until accounts were made out months after in the Comptroller's Office.

3. The new system of accounting advocated by the Comptroller was agreed to by the Financial Secretary to Government who in his note of the 16th June 1921 made the following observations:—

"Once the balances are verified, it is best to open a pass book for each institution or group of minor institutions for which a single treasury drawing account is kept and insist upon the presentation of the book to the Treasury at the time any transaction relating to the account is conducted. The entries in the book should be made by the Treasury simultaneously with the receipt or payment of every item and the institution concerned should be required to compare its own account with the book and never permit any differences to exist. Unless this system is introduced and worked vigorously, the condition of the accounts of these institutions will again drift into confusion."

4. Further work was temporarily suspended with the hope of an early termination of the special duty in connection with which the services of Mr. A. Mrityunjaya Iyer, Retired Under Secretary to Government, were re-engaged and of the availability of the opening balances of all major and minor institutions for the year 1920-21. As however, the special work is still continuing and even if finished, the figures would be four years behind time, it seems inexpedient to further defer the introduction of this beneficial system of accounting and thus widen still further, the differences as recorded in the Treasury and Departmental accounts. Moreover, if the current transactions from 1st July 1924 are not allowed to differ as recorded in the Treasury and Departmental accounts, future divergences will be stopped and once the opening balance is determined and added on to the Pass Book, the system will work automatically. It is therefore proposed to introduce the Pass Book System as from 1st July 1924.

APPENDIX I. FORM OF PASS BOOK.

Dr. Pass Book of Amildar Taluk District for 192 Cr.

Name of institution

Date	Authority	Particulars	Initials of Muzrai Officer	Amount credited	Amount with- drawn	Closing balance	Amount credited or withdrawn (to be written in words and attested by the Treasury Officer with date)
1	2	3	4	5	6	7	8

Closing balance.

APPENDIX II.

MONTHLY ABSTRACT OF TRANSACTIONS WITH CREDITS, DEBITS AND BALANCE.

of Institution.

Name of institution	Opening balance on 1st day of the month	Total credits during the month	Total debits during the month	Closing balance on last day of the month	Remarks
Total credits and debits for the Taluk veri- fied and found correct ...					

Treasury Officer.

Amildar.

APPENDIX III.

Statement of Talukwar abstract for the month of 192

Taluk	Opening balance on 1st day of the month	Credits during the month	Debits during the month	Closing balance on last day of the month	Remarks

Loan to House-building Co-operative Societies at T.-Narsipur, Talkad and Ramnathpur.

READ—

Government Order No. I. C. 2271-5—C. S. 29-24-2, dated 26th September 1924, sanctioning an allotment of one lakh of rupees for financing House-building Co-operative Societies in Shimoga and Nanjangud to relieve the distress caused by the floods.

2. Letter No. O. C. 118-24, dated 1st November 1924, from the Deputy Commissioner, Hassan District, stating that in connection with the formation of the new extension at Ramnathpur, necessitated by the destruction of houses during the recent heavy floods, a co-operative Building Society has been organised at the place and recommending the grant to the Society of a loan of Rs. 10,000 on certain conditions.

3. Letter No. O. C. 166,—24-25, dated 2nd November 1924, from the Deputy Commissioner, Mysore District, forwarding the resolution of the District Flood Relief Committee requesting that loans may be granted to House-building Co-operative Societies organised in the Government Order read above and recommending grant of loans to the House-building Co-operative Societies that may be organised at T.-Narsipur, Sosale, Garge swari and Talkad.

4. Letter No. 2139—C. S., dated 15th November 1924, from the Registrar of Co-operative Societies in the matter.

ORDER NO. I. C. 4585-39—C. S. 29-24-3, DATED 9TH JANUARY 1925.

Government are pleased to sanction a sum of Rs. 20,000 for grant of loans to House-building Co-operative Societies in T.-Narsipur and Talkad and Rs. 5,000 to a Society at Ramnathpur, after the Societies are formed and organized on a proper basis and the Registrar of Co-operative Societies certifies to that effect.

The loans will bear interest at 4 per cent per annum and will be repayable in ten years.

2. In regard to other places for which grants had been asked for by the Deputy Commissioner, Mysore, Government consider that the requirements of such places can be met adequately by the grant of Takavi Loans.

K. V. ANANTARAMAN,
Secretary to Government,
Revenue Department.

Income Tax Department.

READ—

Letter No. C. 42, dated 15th October 1924, from the Commissioner of Income Tax in Mysore, submitting the report on the administration of the Income Tax Department during the year 1923-24.

ORDER NO. FL. 4129-38—I. T. 6-24-7, DATED 20TH JANUARY 1925.

The Regulation and the Rules thereunder.—The new Income Tax Regulation, V of 1923, having come into force with effect from the 1st of July 1923, a new set of rules was framed and issued under the new Regulation.